(b) if so, the details thereof;

(c) whether he has been charge-sheeted;

(d) if so, the details thereof; and

(e) what further action is being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (e) Central Bureau of Investigation is conducting investigations under the Official Secrets Act against alleged leakage of information in the Asea Brown Bovery Electric motive deal. Two officials of the Department of Economic Affairs, Ministry of Finance, were arrested in this case. One of them is presently on bail and another in judicial custody. No one has been charge-sheeted so far. The investigation is in progress.

Unearthing of illegal foreign currency transactions

2832. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHIMATI VEENA VERMA:

SHRI RAJUBHAI A. PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the enforcement officials have of late unearthed an illegal foreign currency transaction network as reported in the National Herald of the 18th June, 1992;

(b) if so, what are the details of the network and its modus-operandi; and

(c) what action Government have taken to prevent such transactions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c) In a search conducted on 16.6.92 by Enforcement Directorate at the residence of Shri R. K. Sharma in Delhi, foreign currencies to wit US $ 41986.18, Can. $ 16160.00 UK lb. 3119.92, DM. 11630.00, UAE Dhiram. 1100, S. A. Riyals. 7000, Omani Riyal-20, Kuwait Dinar-10, and Swiss Francs-5780 besides certain incriminating documents were seized. The documents have revealed the calculation of huge amounts of foreign currencies in code words. Shri R. K. Sharma was arrested in 17-6-92 under the provisions of FERA and remanded to judicial custody.

Assistance from aid-India consortium

2833. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 160 given in the Rajya Sabha on the 28th April, 1992 and state;

(a) whether the Aid-India Consortium meeting has been held in June, 1992;

(b) if so, what are the details thereof and whether aid to the tune of one billion dollars has been agreed to by Japan;

(c) whether the decision of the Japanese Government for financial aid package for the Karnataka Government projects under OECF Japan has been announced in the meeting; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir. The Aid India Consortium meeting was held on June 25-26, 1992.

(b) The multi-lateral and libateral donors have pledged assistance equivalent to US $ 7,195.5 million the Consortium. Japan has made pledges of assistance equivalent to US $ 926 million.

(c) and (d) The Japanese Government has not selected any project relating to Karnataka Goyernment projects against these pleadges.

Detection of a Credit Card Racket

2834. SHRI MURLIDHAR CHANDRAKANT BHANDARE:

SHRI RAJUBHAI A. PARMAR:

SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a Credit Card racket has been busted, with the arrest of three Agra based persons as re-

ported in the Hindustan Times of June, 6, 1992;

(b) if so, the details of the racket and the mode of operation thereof; and

(c) what steps have been taken and are being taken to prevent such rackets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir. Central Bureau of Investigation (CBI) has intimated that it had busted a credit card racket.

(b) CBI has reported that the arrested persons used to collect carbon papers already used in preparing charge slips in Hotel Mughal Sherton, Agra, and the details imprinted on said carbons were used for preparing bogus charge slips showing fake sales of goods to forign tourists and thereby receiving the amounts to the tune of lakhs of rupees from the banks.

(c) The CBI has arrested six persons and registered 5 criminal cases involving 8 accused persons.

RBI guidelines regarding dealers in overseas branches

2835. PROF. SAURIN BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to RBI guidelines the main duty of a Dealer is to operate in the Inter-Bank market and over familiarity of the dealer with the customers is prohibited;

(b) if so, whether the Overseas Branches at Bombay Madras and New Delhi have posted Dealers to deal in the Inter-Bank market and thereby decentralise the dealing and cover operation of Foreign Department, Calcutta;

(c) whether by allowing the dealers to quote Rates to customers the State Bank management is violating the RBI guidelines regarding over-familiarity of Dealers with the Customers; and

(d) if so, what steps are proposed to be taken to remedy this situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Reserve Bank of India (RBI) have reported that as per their guidelines dealers are to operate in the inter-bank market according to the standards laid down by the managements of banks from time to time and in the best interests of the bank. They are also to provide an effective and quick feed back to the management. The larger bank may find it advisable to deal selectively with customer enquiries regarding rates and also conclude business with them in the dealing department itself instead of in the foreign exchange department. These guidelines further provide that the dealers attending to customer business should, as far as possible, distinct from the dealers in inter-bank market.

(b) and (c) State Bank of India (SBI) have reported that the dealing rooms at Bombay, New Delhi and Madras have been established solely out of commercial necessity with a view to withstand emerging competition in foreign exchange area from other banks, especially foreign banks. This has not been done with a view to decentralising the foreign exchange dealing and commerical operations which continue to be centralised at the Foreign Department, Calcutta. The dealing rooms at the above centres quote rates in consultation with and guidance of the Foreign Department, Calcutta to obviate the necessity of operating offices having to contact Foreign Department, Calcutta through the normal communication channels. SBI's dealing room are connected to Foreign Department, Calcutta with exclusive leased lines.

(d) Does not arise.

Sending of final accounts of Banks to C & A.G. for his opinion

2836. DR. SHRIKANT RAMCHANDRA JICHKAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the final accounts of the nationalised banks are not sent to C. & A. G. of India for his opinion;

(b) if so, what are the reasons therfor; and